

## CHAPTER 123—H.F.No. 733

*An act relating to employment; modifying provisions relating to high pressure piping installation; providing penalties; amending Minnesota Statutes 1994, sections 326.48, subdivisions 1, 2, 3, 4, and 5; 326.50; 326.51; and 326.52; repealing Minnesota Statutes 1994, section 326.47, subdivisions 3 and 4.*

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1994, section 326.48, subdivision 1, is amended to read:

Subdivision 1. **LICENSE REQUIRED; RULES; TIME CREDIT.** No person; ~~firm; or corporation~~ shall engage in or work at the business of a contracting pipefitter or journeyman pipefitter unless ~~licensed~~ issued an individual contracting pipefitter license to do so by the department of labor and industry. No license shall be required for repairs on existing installations. No person shall engage in or work at the business of journeyman pipefitter unless issued an individual journeyman pipefitter competency license to do so by the department of labor and industry. A person possessing an individual contracting pipefitter competency license may also work as a journeyman pipefitter.

No person, partnership, firm, or corporation shall ~~engage in the business of installing~~ install high pressure piping, nor install high pressure piping in connection with the dealing in and selling of high pressure pipe material and supplies, unless, at all times, a ~~licensed pipefitter, who shall be responsible for proper installation, is in charge of~~ person possessing a contracting pipefitter individual competency license or a journeyman pipefitter individual competency license is responsible for the high pressure pipefitting work of conducted by the person, partnership, firm, or corporation being in conformity with Minnesota Statutes and Minnesota Rules.

The department of labor and industry shall prescribe rules, not inconsistent herewith, for the examination and individual competency licensing of contracting pipefitters and journeyman pipefitters and for issuance of permits by the department and municipalities for the installation of high pressure piping.

An employee performing the duties of inspector for the department of labor and industry in regulating pipefitting shall not receive time credit for the inspection duties when making an application for a license required by this section.

Sec. 2. Minnesota Statutes 1994, section 326.48, subdivision 2, is amended to read:

Subd. 2. **CONTRACTING PIPEFITTER'S HIGH PRESSURE PIPEFITTING BUSINESS LICENSE; BOND AND INSURANCE REQUIREMENTS.** ~~The applicant for a contracting pipefitter license may give bond to the state in the total penal sum of \$2,000 conditioned upon the faithful and lawful performance of all work entered upon within the state. The bond shall be for the bene-~~

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fit of persons injured or suffering financial loss by reason of failure of performance. The term of the bond shall be concurrent with the term of the license. The bond shall be filed with the secretary of state of the state and shall be in lieu of all other license bonds to any political subdivision. The bond shall be written by a corporate surety licensed to do business in the state.

In addition, each applicant for a contracting pipefitter's license or renewal thereof, may provide evidence of public liability insurance, including products liability insurance, with limits of at least \$50,000 per person and \$100,000 per occurrence and property damage insurance with limits of at least \$10,000. The insurance shall be written by an insurer licensed to do business in the state and each licensed contracting pipefitter shall maintain on file with the department, a certificate evidencing the insurance which provides that the insurance shall not be canceled without the insurer first giving 15 days written notice to the department. The term of the insurance shall be concurrent with the term of the license. The certificate shall be in lieu of all other certificates required by any political subdivision for licensing purposes. Before obtaining a permit for high pressure piping work, a person, partnership, firm, or corporation must obtain or utilize a business with a high pressure piping business license.

A person, partnership, firm, or corporation must have at all times as a full-time employee at least one individual holding an individual contracting pipefitter competency license. Only full-time employees who hold individual contracting pipefitter licenses are authorized to obtain high pressure piping permits in the name of the business. The individual contracting pipefitter competency license holder can be the employee of only one high pressure piping business at a time.

To retain its business license without reapplication, a person, partnership, firm, or corporation holding a high pressure piping business license that ceases to employ a person holding an individual contracting pipefitter competency license shall have 60 days from the last day of employment of its previous individual contracting pipefitter competency license holder to employ another license holder. The department of labor and industry must be notified no later than five days after the last day of employment of the previous license holder.

No high pressure pipefitting work may be performed during any period when the high pressure pipefitting business does not have an individual contracting pipefitter competency license holder on staff. If a license holder is not employed within 60 days, the pipefitting business license shall lapse.

The department of labor and industry shall prescribe by rule procedures for application for and issuance of business licenses and fees.

Sec. 3. Minnesota Statutes 1994, section 326.48, subdivision 3, is amended to read:

Subd. 3. **BOND AND INSURANCE EXEMPTION.** A contracting pipefitter who is an employee of a contracting pipefitter or who is an employee engaged

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within the limits of property owned, leased and operated, or maintained by the employer, in the maintenance and repair of high pressure pipe work, equipment, or facilities owned or leased by the employer, shall not be required to meet the bond and insurance requirements of subdivision 2. The applicant for a high pressure piping business license or renewal shall give bond to the state in the total penal sum of \$15,000 conditioned upon the faithful and lawful performance of all work entered upon within the state. The bond shall run to and be for the benefit of persons injured or suffering financial loss by reason of failure of payment or performance. Claims and actions on the bond may be brought according to sections 574.26 to 574.38.

The term of the bond must be concurrent with the term of the high pressure pipefitting business license, and run without interruption from the date of the issuance of the license to the end of the calendar year. All high pressure pipefitting business licenses must be annually renewed on a calendar year basis.

The bond must be filed with the secretary of state and shall be in lieu of any other business license bonds required by any political subdivision for high pressure pipefitting. The bond must be written by a corporate surety licensed to do business in the state.

Sec. 4. Minnesota Statutes 1994, section 326.48, subdivision 4, is amended to read:

Subd. 4. **ALTERNATIVE COMPLIANCE INSURANCE.** ~~Compliance with the local bond requirements of a locale within which work is to be performed shall be deemed to satisfy the bond and insurance requirements of subdivision 2.~~ In addition to the bond described in subdivision 3, each applicant for a high pressure pipefitting business license or renewal shall have in force public liability insurance, including products liability insurance, with limits of at least \$100,000 per person and \$300,000 per occurrence and property damage insurance with limits of at least \$50,000.

The insurance must be kept in force for the entire term of the high pressure pipefitting business license, and the license shall be suspended by the department if at any time the insurance is not in force.

The insurance must be written by an insurer licensed to do business in the state and shall be in lieu of any other insurance required by any subdivision of government for high pressure pipefitting. Each person, partnership, firm, or corporation holding a high pressure pipefitting business shall maintain on file with the department a certificate evidencing the insurance. Any purported cancellation of insurance shall not be effective without the insurer first giving 30 days' written notice to the department.

Sec. 5. Minnesota Statutes 1994, section 326.48, subdivision 5, is amended to read:

Subd. 5. **FEE.** The state department of labor and industry may charge each

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applicant for a ~~contracting pipefitter high pressure pipefitting business~~ license or for a renewal of a ~~contracting pipefitter high pressure pipefitting business~~ license and an additional fee commensurate with the cost of administering the bond and insurance requirements of ~~subdivision 2 subdivisions 3 and 4.~~

Sec. 6. Minnesota Statutes 1994, section 326.50, is amended to read:

**326.50 APPLICATION; FEES.**

Application for a ~~pipefitter's~~ an individual contracting pipefitter competency or an individual journeyman pipefitter competency license shall be made to the department of labor and industry, with fees. The applicant shall be licensed only after passing an examination by the department of labor and industry. Fees and conditions for renewal of ~~journeyman and contracting pipefitter's licenses~~ an individual contracting pipefitter competency or an individual journeyman pipefitter competency license shall be ~~set~~ determined by the ~~commissioner~~ department by rule under chapter 14 and section 16A.128.

Sec. 7. Minnesota Statutes 1994, section 326.51, is amended to read:

**326.51 DEPARTMENT MAY REVOKE LICENSES.**

The department may revoke or suspend, for cause, any license obtained through error or fraud, or if the licensee is shown to be incompetent, or for a violation of any of its rules and regulations applicable to ~~such~~ high pressure pipefitting work. The licensee shall have notice, in writing, enumerating the charges, and be entitled to a hearing on at least ten days' notice, with the right to produce testimony. The hearing shall be held pursuant to chapter 14. The commissioner shall issue a final order based on testimony and the record at hearing. One year from the date of revocation application may be made for a new license.

Sec. 8. Minnesota Statutes 1994, section 326.52, is amended to read:

**326.52 DEPOSIT OF FEES.**

All fees received under sections 326.46 to 326.52 shall be deposited by the department of labor and industry to the credit of the general fund in the state treasury. The salaries and per diem of the inspectors and examiners hereinbefore provided, their expenses, and all incidental expenses of the department in carrying out the provisions of sections 326.46 to 326.52 shall be paid from the appropriations made to the department of labor and industry. The commissioner by rule shall set the amount of the fees at a level that approximates, to the greatest extent possible, the salaries, per diem, and incidental expenses of the department.

Sec. 9. **REPEALER.**

Minnesota Statutes 1994, section 326.47, subdivisions 3 and 4, are repealed.

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Presented to the governor May 4, 1995

Signed by the governor May 5, 1995, 9:05 a.m.

## CHAPTER 124—H.F.No. 54

*An act relating to state government; directing the governor, attorney general, and other public officers to perform certain duties in regard to certain waters and public lands; proposing coding for new law in Minnesota Statutes, chapters 1 and 84B.*

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. **[1.0451] LIMITS ON CONSENT TO FEDERAL ACQUISITIONS OF LANDS IN ST. LOUIS, LAKE, AND COOK COUNTIES; WATER AND LAND OWNERSHIP; DUTIES OF STATE OFFICIALS.**

Subdivision 1. OWNERSHIP OF NAVIGABLE WATERS AND BEDS. Pursuant to applicable federal and state law under which Minnesota was admitted to the union on equal footing with the original 13 states, navigable waters and their beds located within the exterior boundaries of the state are owned by the state. In a few limited circumstances, as in section 1.044, relating to the Upper Mississippi Wildlife and Fish Refuge, the state has expressly granted its consent and concurrent jurisdiction to the United States to acquire interests in water, as well as land, for a limited purpose and in the limited area described in its consent. Unlike section 1.044, the consent granted by the state in section 1.045 to acquisitions by the United States for the Superior National Forest is limited to land, only. The state has never ceded to the United States, either expressly or implicitly, its ownership of and jurisdiction over the navigable waters and their beds that are located within the exterior boundaries of the forest.

Subd. 2. STATE OWNERSHIP OF AND JURISDICTION OVER CERTAIN LANDS. Pursuant to the Organic Act that created the territory of Minnesota (Act of Congress, March 3, 1849, 9 Stat. ch. 121, section 18), and the Enabling Act that authorized the people of the territory of Minnesota to establish the state of Minnesota (Act of Congress, February 26, 1857, 11 Stat. ch. 60, section 5, first paragraph), federal public domain lands located in sections 16 and 36 in every township at the time of statehood were granted to the state for the use of schools, together with equivalent land located in other sections if section 16 or 36 had been disposed of before statehood. In conformity with the terms of the federal grant, the citizens of Minnesota, by constitution, article 11, section 8, have dedicated the proceeds from the sale or other disposition of these school grant lands, and the proceeds from the sale or other disposition of lands subsequently received from the United States under swampland grants, to public school purposes. By constitution, article 11, sections 8 and 10, the disposition of school and swampland grant lands, frequently referred to as trust fund lands, is

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